NEWSWEEK 18 May 1987

William Casey: Silent Witness

Spymaster, public servant and political partisan

tooped, disheveled and mumbling inaudibly, William Casey had a way of acting dumb-and he wasn't afraid to do so whenever he thought it might help him or the causes he cared most about. His best performance was probably his last, before the House Foreign Affairs Committee in mid-December, just days before two seizures revealed the brain tumor that led to his death last week. One of the president's most trusted confidants, the cabinet-rank CIA chief probably knew as much as anyone else about the Iran-contra affair-yet he told the committee virtually nothing. Hiding behind a steady stream of "I don't knows," he swallowed his words and stuck to his sketchy denial: the operation was run not by the CIA but by the National Security Council.

That much, we now know from Maj. Gen. Richard Secord, was more or less true—and it was just the way Casey wanted it. The division of labor may even have been Casey's doing. A veteran intelligence officer and World War II spymaster—he sent agents behind

Nazi lines for Gen. William (Wild Bill) Donovan's OSS—Casey lived by two principles: can-doism and "plausible deniability." In the first Reagan term, he held the reins, directing the contra operation that became known as "Casey's war." An anticommunist crusader with a deep distrust of Congress, he did not hesitate to run around it, using the cover of the CIA, which does not need the full Congress to vote approval for covert operations, to train and arm a secret contra force in 1981. By 1984 the CIA had backed similar forces in Afghanistan, Angola and Cambodia, making covert action respectable after years in disrepute.

Detail man: In the second Reagan term Casey sought still greater deniability by turning sensitive missions over to others better able to evade and outsmart Congress. If nothing else, he was the inspiration for Oliver North's operation. He may also have played a central role—deciding to farm the dirty work out to the NSC and a truly unaccountable network of private donors and operatives.

Casey's past prepared him exquisitely to be Ronald Reagan's detail man, the outsider's insider who knew the rules and how to bend them to get things done. A Roman



inside operator: He knew how to bend the rules

Catholic from Queens, N.Y., he spent the years just before and after World War II as a tax lawyer and business consultant. By the 1960s, armed with a personal fortune, he found himself in the thick of Republican politics, helping in Richard Nixon's presidential campaigns and running for Congress in 1966. Nixon and Ford gave him a string of top jobs—chairman of the Securities and Exchange Commission, under sec-



GOP loyalist: Under Nixon, Ford, Reagan

retary of state for economic affairs, head of the Export-Import Bank—and he soon earned a reputation for loyalty and ornery gruffness. A brilliant rogue with a bent for public service, he had been approached in 1979 by two major candidates, George Bush

and John Connally, before taking over the Reagan campaign.

The CIA job might have been the perfect cap to his career—if only his politics had not clashed with his professionalism. He upped the budget by 50 percent, lifting morale and restoring capabilities—mostly for covert action—stripped away in the 1970s. He also demanded sharper intelligence analyses, though insiders say they often had a partisan hue. Congress first challenged him on his finances—he was forced to put holdings in a blind trust—then on his conduct of the contra war.

Clean nose: His response, when Congress objected to mining Nicaragua's harbors and to a manual that urged political killings, was to run the operation "off the books." CIA official Dewey Clarridge managed the war until Congress's 1984 ban on U.S. involvement-and continued to help when North took over. Other agents reportedly left the CIA and went to work for North. Casey saw he was beginning to compromise the agency he had so lovingly rebuilt, but he had no intention of giving up his crusade.

He tried to have it both ways-to keep the agency's nose clean and help North in both Iran and Nicaragua. Some people think that selling arms to Teheran was Casey's idea: a last-ditch effort to rescue the CIA's man in Beirut from further torture by Muslim extremists. If it was, Casey covered his tracks. He did work tirelessly behind the scenes, helping, in Adm. John Poindexter's words, to "make things right for Secord" with CIA logistical support and advice. Casey and North maintained regular contact, conspiring to solicit third-country aid, and it was Casey who suggested, in 1985, that Reagan describe the arms-forhostages deal as a political overture. Perhaps most important, Casey persuaded Reagan to sign the January 1986 "finding" that authorized the sales-against the advice of George Shultz and Caspar Weinberger. Did he have a hand in the diversion of profits from Teheran to the contras? Did he even know about it? He maintained until the end that he did not. Critics felt his answer defied all logic, but then Bill Casey never set much store by such accusations. "Logic" was no match for his partisan zeal or his hard shield of plausible denials.

TAMAR JACOBY